

SAMPLE
OFFICIAL BANK LETTERHEAD
BANK LETTER OF PAYMENT GUARANTY

(Place)

_____(Date)

US Embassy Bogota - NAS
Carrera 45 #24B-27
Bogota, Colombia

SUBJECT: Payment Guaranty**LETTER OF GUARANTY NO. _____**

The undersigned, acting as the duly authorized representative of the bank, declares that the bank hereby guarantees to effect payment to the Contracting Officer by check made payable to the Treasurer of the United States, immediately upon demand after receipt of a simple written request from the Contracting Officer, immediately and entirely without any need for the Contracting Officer to protest or to take any legal action or obtain prior consent of the Contractor or any other proof, action, or decision by any other authority, up to the sum of amount equal to twenty percent (10%) of the Contract Price in U.S. Dollars but not to exceed \$2,500,000, which represents the deposit required of the Contractor to guarantee payment by the Contractor to all persons, firms or corporations, supplying labor and material under Contract No.

SCO15013C....Construction of Maritime Training Academy, Cartagena, Colombia, in strict compliance with the terms, conditions, and specifications of said contract, entered into between the Government and (Name of Contractor) of (Address of Contractor) on (Contract Date) plus legal charges of 10% per annum on the amount called due, calculated from the sixth day following receipt of the Contracting officer's written request until the date of payment.

The undersigned agrees and consents that said contract may be modified by Change Order or Supplemental Agreement without affecting the validity of this guaranty provided, however, that the amount of this guaranty shall remain unchanged.

The undersigned agrees and consents that the Contracting Officer may make repeated partial demands on the guaranty up to the total amount of this guaranty, and the bank will promptly honor each individual demand.

This letter of guaranty shall remain in effect until final acceptance of the Contractor's performance of Contract (number) by the U.S. Government.

The undersigned certifies that the guaranty is issued by a depository institution located in and authorized to do business in the country of performance and the U.S. and authorized to issue such checks or Letters of Guaranty by the banking laws of the country of performance and the U.S.

Bank (depository institution) :

Legal Name & Address

Location:

State of Incorporation

Signature(s) _____

Corporate Seal:

Name(s) _____

Title(s) _____

NOTE: CERTIFICATE OF AUTHORITY IS ATTACHED EVIDENCING AUTHORITY OF THE SIGNER TO BIND THE BANK TO THIS DOCUMENT